

# Property Tax Reduction Programs

## Disabled Veteran Exemption

Property must be owned and occupied by a veteran rated as permanently and totally disabled as the result of a service-connected disability. Un-remarried widows/widowers may be eligible.

The approved exemption remains until the property is transferred or sold.

First \$150,000 of valuation exempted from taxation.

Deadline: November 1

Contact your County Director of Equalization for more information.

## Freeze on Assessments for Disabled and Senior Citizens

Individual must be 65 years of age or legally disabled and own and occupy the property or retain a life estate. Un-remarried widows/widowers may also be eligible.

Prevents the homeowner's property from increasing in value for tax purposes. Income limits apply.

Deadline: April 1

Contact your County Treasurer for more information.

## Property Tax Exemption for Paraplegic Veterans

Property must be owned and occupied by a paraplegic veteran. Un-remarried widows/widowers are also eligible.

Once approved, the exemption remains until the property is transferred or sold.

Exempts a paraplegic veteran's property from all property taxes.

Application deadline: November 1

Contact your County Director of Equalization for more information.

## Municipal Property Tax Reduction for the Elderly and Disabled

The Municipal Property Tax Reduction is currently *only available to Rapid City residents* at this time. Income limits apply. The program reduces your city property taxes the year following your application.

Contact the Pennington County Treasurer if you live in Rapid City and need more information.

## Homestead Exemption

The Homestead Exemption delays the payment of property taxes until the property is sold. Property taxes will become a lien on the property with interest and penalties added annually. Individual must be 70 years of age to qualify. A lower interest rate program is available, with income limits.

Application deadline: April 1

Contact your County Treasurer for more information.

## Property Tax Reduction Program for Paraplegics

The Property Tax Reduction Program for Paraplegics allows for a reduction in the property taxes due using a graduated income scale. Income limits apply. Un-remarried widows/widowers may also be eligible. Annual application is required.

Application deadline: January 1.

Contact your County Auditor for more information.

## Inundated Farmlands

Landowners with agricultural land inundated by floods and not farmable during the past three growing seasons may submit an application to the director of equalization for a special assessment. The application must be submitted prior to November 1.

The form may be submitted by any landowner, landowner's agent, or attorney to the Director of Equalization in the county the parcel is located in.

## Buffer Strip Program

Eligible riparian buffer strips can receive a reduction in the assessed value for property tax purposes. Only land within 120 feet of a listed lake, river, or stream may be classified as a riparian buffer strip and grazing is prohibited from May 1 through September 30. Once approved, the new assessed value of the eligible property will be approved for 10 years or until the property changes use.

Applications must be submitted by October 15 to the Director of Equalization in the county where the property is located.

# Renewable Resource Property Valuation Exemption Program

South Dakota state law (SDCL 10-4-44) provides a local property tax exemption for renewable energy systems less than 5 megawatts in size. The exemption is 70% of the assessed value of the renewable energy property, or \$50,000, whichever is greater. The Director of Equalization must assess the entire structure before the exemption is applied. The valuation of the renewable energy property is to be determined through acceptable appraisal process and in the same manner as other property.

The exemption is a continuous exemption for all cases except geothermal. Residential geothermal energy is limited to the first four continuous years. Commercial geothermal facilities receive the exemption for the first three continuous years. The exemption is then applied to the assessed value of the renewable energy property only.

Renewable energy property *does not* qualify for discretionary formula.

Any of the following that are used to produce electricity or energy qualify for this exemption:

- Wind
- Solar
- Biomass
- Hydrogen
- Hydroelectric
- Geothermal

Contact your local Director of Equalization to start the process. There is no application.

## Contact Us

If you have any questions, contact the South Dakota Department of Revenue.

**Call toll-free:** 1-800-829-9188 (option 2)

**Property Tax Division Email:** [proptaxin@state.sd.us](mailto:proptaxin@state.sd.us)

**Website:** <http://dor.sd.gov/>

**Mailing address and office location:**

South Dakota Department of Revenue  
445 East Capitol Ave  
Pierre, SD 57501